

Commonwealth of Massachusetts
Department of Telecommunications and Energy
Fitchburg Gas and Electric Light Company
Docket Nos. D.T.E. 02-24 and D.T.E. 02-25
Responses to the Department's First Set of Information Requests

Request No. DTE 1-5:

Refer to Exh. FGE - Schedule JHA-1 (Gas) at 8 of 56. Please explain, by way of example, what is meant by the last four sentences on this page.

Response:

As we and our peers typically develop average life estimates and accrual rates at the primary plant account level, this question can best be answered with an example. One typical example is electric Account 364.00, Distribution Poles, Towers and Fixtures.

Account 364.00 contains poles, cross-arms, anchors, down-guys, etc. and labor and equipment costs to install the equipment. Assuming the capitalized property units to be a pole, a cross-arm, a down-guy, and an anchor, one could theoretically develop a data base of the property unit history of poles, as opposed to cross-arms, etc. and analyze that data. However, to do so for every plant account would be extremely difficult and time consuming. Such an effort would probably benefit the depreciation consultant by increasing his fees, but it would not be cost effective.

Person Responsible: James H. Aikman